

PART 1000—INDIVIDUAL DEVELOPMENT ACCOUNT RESERVE FUNDS ESTABLISHED PURSUANT TO GRANTS FOR ASSETS FOR INDEPENDENCE

Sec.

1000.1 Scope.

1000.2 Definitions.

1000.3 Requirements.

AUTHORITY: 42 U.S.C. 604 nt.

SOURCE: 66 FR 48972, Sept. 25, 2001, unless otherwise noted.

§ 1000.1 Scope.

This part applies to the Office of Community Services' Assets for Independence Program.

§ 1000.2 Definitions.

Individual Development Account means a trust or custodial account created or organized in the United States exclusively for the purpose of paying the qualified expenses of an eligible individual, as defined in section 404(2) of Pub. L. 105-285, or enabling the eligible individual to make an emergency withdrawal as defined in section 404(3) of Pub. L. 105-385. The written governing instrument creating the trust or custodial account must meet the requirements of Section 404(5) of Pub. L. 105-285, and of the Project Eligibility Requirements set forth in Program Announcements.

Qualified Entity means one or more not-for-profit organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or a State or local government agency; or a tribal government which has submitted an application under section 405 of Pub. L. 105-285 jointly with a 501(c)(3) organization that is exempt from taxation under 501(a) of the Internal Revenue Code of 1986; or an entity that is a credit union designated as a low-income credit union by the National Credit Union Administration (NCUA), or an organization designated as a community development financial institution by the Secretary of the Treasury (or Community Development Financial Institutions Fund), and can demonstrate a collaborative relationship with a local community-based or-

ganization whose activities are designed to address poverty in the community and the needs of community members for economic independence and stability.

Reserve Fund means a fund, established by a qualified entity, that shall include all funds provided to the qualified entity from any public or private source in connection with the demonstration project and the proceeds from any investment made with such funds. The fund shall be maintained in accordance with section 407(c)(3), as amended. No less than 85 percent of the Federal grant funds in the Reserve Fund shall be used as matching contributions for Individual Development Accounts.

[66 FR 48972, Sept. 25, 2001, as amended at 67 FR 19518, Apr. 22, 2002]

§ 1000.3 Requirements.

(a) A qualified entity, other than a State or local government agency or tribal government, shall establish a Reserve Fund for use in the Assets for Independence program. Each reserve fund established by a qualified entity, other than a State or local government agency or tribal government, is subject to the Department of Health and Human Services' uniform administrative requirements under 45 CFR part 74.

(b) Any reserve fund established by a qualified entity that is a State or local government agency or tribal government is subject to the Department of Health and Human Services' uniform administrative requirements under 45 CFR part 92.

PART 1050—CHARITABLE CHOICE UNDER THE COMMUNITY SERVICES BLOCK GRANT ACT PROGRAMS

Sec.

1050.1 Scope.

1050.2 Definitions.

1050.3 What conditions apply to the Charitable Choice provisions of the CSBG Act?

AUTHORITY: 42 U.S.C. 9901 *et seq.*

SOURCE: 68 FR 56469, Sept. 30, 2003, unless otherwise noted.

§ 1050.1 Scope.

This part applies to programs authorized under the Community Services Block Grant Act (CSBG Act). Title 42 U.S.C. 9901, 9913, 9920, 9921, 9922, 9923.

§ 1050.2 Definitions.

Applicable program means any program authorized under Title II of the Community Opportunities, Accountability, and Training and Education Act of 1998, 42 U.S.C. 9901, *et seq.*

Direct funding, directly funded or funding provided directly means funding that is provided to an organization directly by a governmental entity or an intermediate organization that has the same duties as a governmental entity, as opposed to funding that an organization receives as a result of the genuine and independent private choice of a beneficiary.

Intermediate organization means an organization that is authorized by the terms of a contract, grant or other agreement with the Federal Government, or a State or local government, to select other non-governmental organizations to provide assistance under an applicable program. For example, when a State uses CSBG Act funds to pay for technical assistance services provided by a private entity and also authorizes that entity to subcontract for a portion of the technical assistance effort, the private entity is an intermediate organization.

Program beneficiary or recipient means an individual who receives services under a program funded in whole or part by an applicable program.

Program participant means a public or private entity that has received financial assistance under an applicable program.

§ 1050.3 What conditions apply to the Charitable Choice provisions of the CSBG Act?

These Charitable Choice provisions apply whenever the Federal government, or a State or local government, uses funds under the CSBG Act to provide awards, contracts, or other assistance under any program authorized in the Community Services Block Grant, 42 U.S.C. 9901, *et seq.* Additionally, these provisions apply whenever an intermediate organization acting under a

contract, grant, or other agreement with a Federal, State, or local government entity selects nongovernmental organizations to provide assistance under any of the programs authorized under the Community Services Block Grant Act.

(a)(1) Religious organizations are eligible, on the same basis as any other organization, to participate in the applicable programs as long as they use program funds consistent with the Establishment Clause and the Free Exercise Clause of the First Amendment to the United States Constitution.

(2) Neither the Federal government nor a State or local government receiving funds under an applicable program shall discriminate against an organization that applies to provide, or provides, services or benefits on the basis of the organization's religious character or affiliation.

(b) No program participant that receives direct funding under an applicable program may expend the program funds for inherently religious activities, such as worship, religious instruction, or proselytization. If an organization conducts such activities, it must offer them separately, in time or location, from the programs or services directly funded under any applicable program, and participation must be voluntary for program beneficiaries.

(c) A religious organization that participates in an applicable program will retain its independence from Federal, State, and local governments and may continue to carry out its mission, including the definition, practice and expression of its religious beliefs, provided that it does not expend any direct funding under the applicable program to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, religious organizations may use space in their facilities to provide services funded under an applicable program without removing religious art, icons, scriptures, or other symbols. In addition, such a religious organization retains the authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's

mission statements and other governing documents.

(d) The participation of a religious organization in, or its receipt of funds from, an applicable program does not affect that organization's exemption provided under 42 U.S.C. 2000e-1 regarding employment practices.

(e) A religious organization that receives funds under an applicable program, shall not, in providing program services or benefits, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or a religious belief.

(f) Religious organizations that receive funds under an applicable program are subject to the same regulations as other nongovernmental organizations to account, in accordance with generally accepted auditing and accounting principles, for the use of such funds. In addition, religious organizations are required to keep any Federal funds they receive for services segregated in a separate account from non-Federal funds. Only the segregated government funds are subject to audit by the government under the applicable program.

(g) If a State or local government contributes its own funds to supplement CSBG Act funded activities, the State or local government has the option to segregate the Federal funds or commingle them. However, if the funds are commingled, the Charitable Choice provisions apply to all of the commingled funds.

(h) If a nongovernmental intermediate organization, acting under a grant, contract, or other agreement with the Federal, State or local government, is given the authority to select nongovernmental organizations to provide services under an applicable program, then the intermediate organization must ensure that there is compliance with these Charitable Choice provisions. The intermediate organization retains all other rights of a nongovernmental organization under the Charitable Choice provisions.

PART 1080—EMERGENCY COMMUNITY SERVICES HOMELESS GRANT PROGRAM

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- 1080.2 Definitions.
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AUTHORITY: 42 U.S.C. 11302 (101 Stat. 485); 42 U.S.C. 11461-11464, 11472 (101 Stat. 532-533), as amended.

SOURCE: 54 FR 6372, Feb. 9, 1989, unless otherwise noted.

§ 1080.1 Scope.

This part applies to the Emergency Community Services Homeless Grant Program.

§ 1080.2 Definitions.

(a) *Homeless* or *homeless individual* includes:

(1) An individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) An individual who has a primary nighttime residence that is:

(i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(ii) An institution that provides a temporary residence for individuals intended to be institutionalized; or

(iii) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term *homeless* or *homeless individual* does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.

(b) *Indian tribe* means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act), that is recognized by the Federal Government as eligible for special programs and